

EDWARD H. KUBO, JR.
United States Attorney
District of Hawaii

J. MICHAEL SEABRIGHT
Assistant U.S. Attorney

LAWRENCE L. TONG
Assistant U.S. Attorney
Room 6100, PJKK Federal Building
300 Ala Moana Blvd., Box 50183
Honolulu, Hawaii 96850
Telephone: (808) 541-2850

Attorneys for Plaintiff
UNITED STATES OF AMERICA

FILED IN THE
UNITED STATES DISTRICT COURT
DISTRICT OF HAWAII

JUL 25 2002
at 12 o'clock and 35 min M
WALTER A. Y. H. CHINN, CLERK

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF HAWAII

UNITED STATES OF AMERICA,)	CR. NO. 02-00281 DAE
)	
Plaintiff,)	SUPERSEDING INDICTMENT
)	
vs.)	18 U.S.C. § 1343
)	[Wire Fraud]
ANDREW M. SATO,)	18 U.S.C. § 1029
)	[Access Device Fraud]
Defendant.)	
)	

SUPERSEDING INDICTMENT

COUNTS 1-25

The Grand Jury charges:

1. From a precise date unknown to the grand jury but by September 24, 2001, and continuing through on or about June 18, 2002, in the District of Hawaii and elsewhere, ANDREW M. SATO, defendant herein, knowingly devised a scheme and artifice to defraud and to obtain money and property by means of materially false and fraudulent pretenses and representations,

and the omission of material facts, well knowing at the time that such pretenses and representations, and omissions of material facts, would be and were false when made, all as more fully set forth below.

A. ANDREW M. SATO worked as a salesperson at a computer store, and obtained the credit card numbers of customers who bought equipment at the store. SATO then ordered computer equipment and other items over the Internet, using the names and credit card numbers of those customers. SATO thereby made it appear as if the orders were placed by the true cardholders, whereas in fact SATO knew he did not have permission to use the credit card numbers, and that the orders were unauthorized.

2. On or about the dates stated, in the District of Hawaii and elsewhere, and for the purpose of executing the aforesaid scheme and artifice to defraud, and attempting to do so, ANDREW M. SATO, defendant herein, did knowingly transmit, and cause to be transmitted, certain writings, signs, signals and sounds in interstate commerce, namely, communications over the Internet between Hawaii and the continental United States, with each such wire communication constituting a separate count of this indictment:

<u>COUNT</u>	<u>DATE</u>	<u>NATURE OF COMMUNICATION</u>
1	9/24/01	Internet order of a Gateway computer in the name of Chan Y.
2	10/2/01	Internet order of an Apple computer in the name of Chan Y.
3	10/8/01	Internet order of adult DVDs in the name of Chan Y.
4	10/14/01	Internet order of adult DVDs in the name of Chan Y.
5	1/4/02	Internet order of a Gateway computer in the name of Ole P.
6	1/16/02	Internet order of a Gateway computer in the name of Philip B.
7	1/16/02	Internet order of Gateway computer equipment in the name of Philip B.
8	1/17/02	Internet order of FFP palm pilots in the name of Roger N.
9	1/17/02	Internet order of an Apple computer in the name of Ole P.
10	1/20/02	Internet order of an Apple computer in the name of Roger N.
11	1/28/02	Internet order of a Gateway computer in the name of Geraldine A.
12	2/14/02	Internet order of a Gateway computer in the name of Keith C.
13	2/19/02	Internet order of Apple computer in the name of Anne H.
14	2/21/02	Internet order of Apple computer in the name of Anne H.
15	3/3/02	Internet order of Apple computer in the name of Trinidad H.

<u>COUNT</u>	<u>DATE</u>	<u>NATURE OF COMMUNICATION</u>
16	3/6/02	Internet order of Apple computer in the name of Norman N.
17	3/14/02	Internet order of Apple computer in the name of Wade K.
18	3/17/02	Internet order of Apple computer in the name of Neil B.
19	5/9/02	Internet order of Gateway computer in the name of James K.
20	5/15/02	Internet order of Apple computer in the name of Patrick C.
21	5/23/02	Internet order of Apple computer in the name of Patrick L.
22	5/30/02	Internet order of Apple computer in the name of Patrick L.
23	6/1/02	Internet order of Apple computer in the name of Patrick L.
24	6/1/02	Internet order of Rolex watch in the name of Guy S.
25	6/7/02	Internet order of Apple computer in the name of Guy S.

All in violation of Title 18, United States Code,
Section 1343.

COUNT 26

The Grand Jury further charges:

1. From a precise date unknown to the grand jury but by August 3, 2001, and continuing through on or about August 22, 2001, in the District of Hawaii and elsewhere, ANDREW M. SATO, defendant herein, knowingly devised a scheme and artifice to

defraud and to obtain money and property by means of materially false and fraudulent pretenses and representations, and the omission of material facts, well knowing at the time that such pretenses and representations, and omissions of material facts, would be and were false when made, all as more fully set forth below.

A. ANDREW M. SATO had a Visa credit card issued by MBNA America Bank. SATO used that credit card to order a Gateway computer over the Internet. After the computer was delivered, SATO sold it over eBay. To avoid having to pay MBNA America Bank, SATO falsely advised the bank that the purchase was not authorized by him, and had been fraudulently made, whereas he actually knew that he had placed the order, received the merchandise, and sold it.

2. On or about August 3, 2001, in the District of Hawaii and elsewhere, and for the purpose of executing the aforesaid scheme and artifice to defraud, and attempting to do so, ANDREW M. SATO, defendant herein, did knowingly transmit, and cause to be transmitted, certain writings, signs, signals and sounds in interstate commerce, namely, a communication over the Internet between Hawaii and Gateway computers on the continental United States, in which SATO ordered the purchase of a computer for \$2,444.00.

In violation of Title 18, United States Code, Section 1343.

COUNT 27

The Grand Jury further charges:

On or about March 17, 2002, in the District of Hawaii and elsewhere, ANDREW M. SATO did knowingly, and with intent to defraud, use an unauthorized access device, namely, a First Hawaiian Bank Mastercard number assigned to Neil B., to obtain goods and services having a value of more than One Thousand Dollars (\$1,000), thereby having an effect on interstate commerce.

In violation of Title 18, United States Code, Section 1029(a)(2).

COUNT 28

The Grand Jury further charges:

From on or about May 24, 2002, through on or about June 11, 2002, in the District of Hawaii and elsewhere, ANDREW M. SATO did knowingly, and with intent to defraud, use an unauthorized access device, namely, an American Savings Bank Visa card number assigned to Patrick L., to obtain goods and services having a value of more than One Thousand Dollars (\$1,000), thereby having an effect on interstate commerce.

In violation of Title 18, United States Code, Section 1029(a)(2).

COUNT 29

The Grand Jury further charges:

From on or about June 1, 2002, through on or about June 12, 2002, in the District of Hawaii and elsewhere, ANDREW M. SATO did knowingly, and with intent to defraud, use an unauthorized access device, namely, a Bank of Hawaii American Express card number assigned to Guy S., to obtain goods and services having a value of more than One Thousand Dollars (\$1,000), thereby having an effect on interstate commerce.

In violation of Title 18, United States Code, Section 1029(a) (2).

Dated: Honolulu, Hawaii, July 25, 2002.

A TRUE BILL

151
FOREPERSON, GRAND JURY

EDWARD H. KUBO, JR.
United States Attorney
District of Hawaii

J. Michael Seabright
J. MICHAEL SEABRIGHT
Assistant U.S. Attorney

Lawrence L. Tong
LAWRENCE L. TONG
Assistant U.S. Attorney

United States v. Andrew M. Sato
"Superseding Indictment"
Cr. No. 02-00281 DAE